# Aero Energy and Fortune Bay to Plan Winter Drilling at the Murmac Project, Athabasca Basin, Saskatchewan

10.12.2024 | Newsfile

Follow-up to the high-grade uranium discovery from the summer 2024 drill program

Vancouver, December 10, 2024 - Aero Energy Ltd. (TSXV: AERO) (OTC Pink: AAUGF) (FSE: UU3) ("Aero" or the "Company") is pleased to announce plans for a winter 2025 drilling program on the Murmac Uranium Project ("Murmac" or the "Project") as follow-up to the high-grade uranium discovered during the summer 2024 drill program. The Project is located in northern Saskatchewan near Uranium City, on the northern margin of the Athabasca Basin. The winter program, focused on the Howland Lake North target area, has been approved in accordance with the Option Agreement with Fortune Bay Corp. (TSXV: FOR) (OTCQX: FTBYF) (FSE: 5QN) ("Fortune Bay") and is fully funded.

Highlights:

- Shallow, High-Grades Intersected: Drill hole M24-017, completed during summer 2024 on Howland Lake North, intersected 8.40 m at 0.30% $U_3O_8$ including 1.20 m at 1.79 % $U_3O_8$, with individual assays up to 13.80% $U_3O_8$ and 4.54% $U_3O_8$ over 0.10 m. The high grades (>1% $U_3O_8$) occurred at only 64 metres below surface within favorable structured graphitic rocks.
- Howland Lake North - Primed for Discovery: In addition to the high-grades intersected in M24-017, the anomalous uranium and elevated geochemical pathfinders in all of the three holes around M24-017 (50 metres down-dip and along strike) indicate the presence of a pervasive Athabasca Basin unconformity-related mineralizing system along the Howland Lake North graphitic conductor. Step-out drilling is warranted along the 1 kilometre extent of this graphitic conductor that underlies the shallow Howland Lake.
- Focused Winter Program: Approximately 6 drill holes (~900 metres) are planned along the Howland Lake North graphitic conductor. A detailed radon-in-water survey will be conducted prior to drilling to provide additional focus for drill targeting. The radon-in-water survey will also partially cover a graphitic conductor underlying southern Howland Lake (Howland Lake South), where 0.17% $U_3O_8$ over 0.1 metres was intersected in structured graphitic rocks (drill hole M22-012) during 2022 drilling by Fortune Bay.
- One of Many Priority Targets: In addition to Howland Lake North, numerous other priority targets have been identified along Murmac's extensive graphitic corridors (>35 kilometres of strike) that warrant future drill testing. Similar to Howland Lake North, these targets include compelling geophysical signatures, favorable geological/structural settings and proximity to surface uranium occurrences.

Galen McNamara, CEO for Aero, commented "We are excited to be advancing exploration at Murmac in collaboration with Fortune Bay, building on momentum from a successful summer drilling campaign. The project has proven to be highly prospective, with its largely unexplored graphitic corridors beneath thin surficial cover - and the latest drill results further underscore the potential for a shallow, high-grade basement-hosted discovery. We are eager to mobilize our teams for the upcoming winter program, with a focused effort on the Howland Lake North target area."

Final Assay Results from Summer 2024

A total of eight drill holes (1,685 m) were completed at Murmac during June and July 2024, testing compelling geophysical signatures and favorable geological/structural settings along the Howland, Armbruster and Pitchvein Corridors. The completed drill holes encountered highly favorable geological

settings for high-grade basement-hosted deposits associated with the Athabasca Basin, along with anomalous radioactivity.

A total of 149 samples were collected to confirm uranium mineralization and to characterize the geochemical associations. All samples were submitted to the Saskatchewan Research Council Geoanalytical Laboratories in Saskatoon, SK, Canada for processing. Assay results for the first batch of samples was reported in a News Release dated October 8, 2024 and the second and final batch of sample results is included herein.

Anomalous uranium (>100 ppm) was encountered in five of the eight drill holes, summarized in Table 1. These drill holes intersected shallow-seated anomalous uranium with pathfinder element enrichment typical of high-grade basement-hosted deposits of the Athabasca Basin. These anomalies are typically found in host rocks including thick and strongly graphitic target units in contact with quartzites, providing favorable competency/rheological contrast. Brittle faulting and brecciation were observed within or proximal to the graphitic units and were typically associated with favorable hydrothermal alteration including abundant hematite, chlorite, sulphides, clays and/or bleaching. Figure 1 shows drill hole locations, including assay highlights.

Table 1: Summary of anomalous (>100 ppm) uranium intersections and geochemical associations from summer 2024 drilling.

| Hole ID | From (m) | To (m) | Length (m) | U (ppm) | $U_3O_8$ (%) | Anomalous Pathfinders | Description |
|---|---|---|---|---|---|---|---|
| M24-016A* | 93.50 | 93.65 | 0.15 | 105 | 0.01 | V, Cu | Amphibolite with gr |
| | 235.65 | 235.80 | 0.15 | 118 | 0.01 | Ni, Mo | Silicified psammite, |
| M24-017* | 84.20 | 92.60 | 8.40 | 2571 | 0.30 | | Hematized quartzit in higher grade inte |
| incl. | 86.10 | 87.30 | 1.20 | 15224 | 1.79 | | |
| incl. | 86.10 | 86.20 | 0.10 | 108,000 | 13.80 | Pb, Ag, Bi, Zn, Cu, Co, As, Ni, V, Mo | |
| and | 86.20 | 86.30 | 0.10 | 37,200 | 4.54 | | |
| incl. | 92.00 | 92.20 | 0.20 | 9,450 | 1.20 | | |
| M24-018* | 126.80 | 127.20 | 0.40 | 104 | 0.01 | Ag, Mo, Bi, V, Pb | Brecciated bleache |
| | 139.55 | 139.95 | 0.40 | 227 | 0.03 | As | Strongly graphitic p |
| | 141.85 | 142.05 | 0.20 | 142 | 0.02 | | |
| M24-019* | 101.00 | 101.10 | 0.10 | 985 | 0.12 | Pb, As, Cu, V, Mo, Bi, Ag, Zn, Co | Brecciated fault in a |
| M24-020 | 154.85 | 155.15 | 0.3 | 290 | 0.04 | As, Cu, V, Mo, Pb, Co | Strongly graphitic p |

Notes:

- Uranium concentration in parts per million ("ppm") are shown as determined through partial digest ICP-OES or ICP-MS analysis on all samples, as described in the technical disclosure below.
- Uranium content as weight % $U_3O_8$ was determined for samples with > 1,000 ppm U through digestion in a concentration of $HCl:HNO_3$, and ICP-OES analysis. For samples < 1,000 ppm U, the weight % $U_3O_8$ was calculated empirically from the U ppm value.
- Composited intervals are provided as length-weighted averages.
- Thresholds for pathfinder anomalism were assigned based on a combination of statistical analysis of the dataset and appropriate reference databases. Element abundances were considered elevated at the following thresholds: Pb>20 ppm, Ni>80 ppm, Co>25 ppm, As>15 ppm, Cu>40 ppm, V>75 ppm, Mo>5 ppm, Zn>75 ppm, Ag>0.2 ppm and Bi>0.75 ppm.
- True thicknesses of the drill core intersections are yet to be determined.
- Further drill hole details are provided in the News Release dated July 24, 2024.
- * indicates uranium assays were reported previously in News Release dated October 8, 2024.

Winter 2025 Exploration Program

Radon-In-Water Survey

A high-resolution radon-in-water survey is planned for early January 2025 to cover Howland Lake North prior to drilling, and also to partially cover a graphitic conductor underlying southern Howland Lake (Howland Lake South) to generate drill targets for future testing. Approximately 300 to 350 stations are planned, with scope to infill coverage at anomalous locations.

This survey tests the concentration of radon gas (a product of the radioactive breakdown of uranium) in

water just above lake bottom. This method has been shown to be effective at other exploration programs (e.g. Fission Uranium Corp.'s Triple R deposit), identifying anomalous concentrations of radon gas in water directly overlying uranium deposits.

Diamond Drilling

The results of the radon-in-water survey will be used to plan step-out drill holes along approximately 900 metres of the untested graphitic conductor underlying northern Howland Lake. The planned winter 2025 drilling program is expected to include approximately 6 diamond drill holes (~900 metres).

Figure 1: Location of 2024 Murmac drill holes (prefix M24), including assay highlights.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/8126/233027_7f098ad674a04bd9_002full.jpg

Technical Disclosure

All summer 2024 drilling was carried out with NQ2 diameter core. The oriented drill cores have been subjected to comprehensive logging and sampling to characterize mineralization, alteration and structure. Sample intervals ranged from 10 to 135 cm.

Half-split drill core samples were submitted to the Saskatchewan Research Council ("SRC") Geoanalytical Laboratories (ISO/IEC 17025:2005 accredited) for uranium assay and multi-element characterization. Samples are screened upon receipt by SRC, and samples with significantly elevated radioactivity are identified and separated out for the SRC "ICP1" multi-element uranium exploration package, with an additional assay for $U_3O_8$ in weight percentage where uranium content exceeds a 1000 ppm threshold. Analysis of the remaining samples was carried out through the SRC "ICP-MS2" basement exploration package.

Sample preparation for all samples includes drying, jaw crushing to 60% passing -2 mm, and pulverizing to 90% passing -106 microns. The ICP1 package includes ICP-OES on a total digestion and ICP-MS on a partial digestion, with $U_3O_8$ assay carried out by partial digestion and analysis by ICP-OES. The ICP-MS2 package consists of three separate analyses, including (1) ICP-MS on a partial digestion, (2) ICP-OES for major and minor elements on a total digestion and (3) and ICP-MS analysis for trace elements on the total digestion. Partial digestions are performed using $HNO_3$:HCl. Total digestions are performed using a mixture of concentrated HF:$HNO_3$:$HClO_4$. Additional analysis for Boron content was obtained for all samples through $NaO_2$/$NaCO_3$ fusion followed by ICP-OES.

Certified reference material ("CRM") blanks and standards were inserted into the sample sequence, at a targeted rate of approximate 1 per every 20 samples, as part of an internal QAQC process. In addition to this, SRC includes various standards and carried out repeat analyses for selected samples as part of their laboratory QAQC procedure.

The historical drill results obtained by SMDC in drill holes CKI-9 and CKI-10 can be found within the SMAD references 74N07-0310 and 74N07-0311 and have not been verified.

Qualified Person

The scientific and technical information contained in this news release has been reviewed, verified, and approved by Galen McNamara, P.Geo., Interim CEO of the Company and a "qualified person" as defined in NI 43-101. The Company considers uranium mineralization with concentrations greater than 1.0 wt% U3O8 to be "high-grade". The Company considers radioactivity readings greater than 300 counts per second (cps) to be "anomalous".

About Aero Energy Limited

Aero Energy is a mineral exploration and development company advancing a district-scale 250,000-acre land package in Saskatchewan's historic Uranium City district within the Athabasca Basin. Aero is focused on uncovering high-grade uranium deposits across its flagship Optioned Properties - Sun Dog, Strike, and Murmac - in addition to its fully owned properties. Aero is led by an award-winning technical team responsible for discoveries along the prolific Patterson Corridor that include the Gryphon (TSX: DML), Arrow (TSX: NXE), and Triple-R (TSX: FCU) deposits. With over 50 shallow drill-ready targets identified and 125 km of target horizon, Aero is tapping into the basin's emerging potential for high-grade, unconformity-style mineralization.

On Behalf of the Board of Directors

"Galen McNamara"
Galen McNamara, Chief Executive Officer

Further information on the Company can be found on the Company's website at aeroenergy.ca and at www.sedarplus.ca, or by contacting the Company by email at info@aeroenergy.ca.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statement Regarding Forward-Looking Information

This news release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian and U.S. securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology. The forward-looking information contained herein is provided for the purpose of assisting readers in understanding management's current expectations and plans relating to the future. These forward‐looking statements or information relate to, among other things the exploration and development of the Company's mineral exploration projects including completion of drilling activities.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual actions, events or results to be materially different from those expressed or implied by such forward-looking information, including but not limited to: the requirement for regulatory approvals; enhanced uncertainty in global financial markets as a result of the public health crises; unquantifiable risks related to government actions and interventions; stock market volatility; regulatory restrictions; and other related risks and uncertainties.

Forward-looking information are based on management of the parties' reasonable assumptions, estimates, expectations, analyses and opinions, which are based on such management's experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect.

The Company undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/233027